

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

In re:)	
)	Chapter 11
)	
FIELDWOOD ENERGY LLC, <i>et al.</i> ,)	Case No. 20-33948 (MI)
)	
Debtors. ¹)	Jointly Administered
)	

**JOINDER OF ENVEN ENERGY VENTURES, LLC TO THE
(A) OBJECTION OF CHEVRON U.S.A. INC. AND NOBLE ENERGY, INC.,
(B) OBJECTION OF XTO OFFSHORE, INC., HHE ENERGY COMPANY, AND
XH LLC, (C) OBJECTION OF MARATHON OIL COMPANY, AND (D) OBJECTION
OF ENI US OPERATING CO. INC. AND ENI PETROLEUM US LLC TO THE
DISCLOSURE STATEMENT FOR THE JOINT CHAPTER 11 PLAN
OF FIELDWOOD ENERGY, LLC AND ITS AFFILIATED DEBTORS**

EnVen Energy Ventures, LLC (“EnVen”), a creditor and party-in-interest in the above-captioned, jointly administered bankruptcy cases (the “Bankruptcy Cases”), hereby files this joinder to (the “Joinder”), incorporates by reference and adopts (A) *Chevron U.S.A. and Noble Energy, Inc.’s Objection to Debtors’ Motion for Entry of an Order Approving (I) the Adequacy of the Disclosure Statement, (II) Proposed Voting and Tabulation Procedures, (III) Procedures for Executory Contract Assumption and Assignment, and (IV) Procedures for Assignment and Transfer of Property of the Estate* [Docket No. 880] (the “Chevron Objection”), (B) the *Objection of XTO Offshore, Inc. HHE Energy Company, and XH LLC to the Disclosure Statement for the Joint Chapter 11 Plan of Fieldwood Energy, LLC and its Affiliated Debtors*

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, as applicable, are: Dynamic Offshore Resources NS, LLC (0158); Fieldwood Energy LLC (6778); Fieldwood Energy Inc. (4991); Fieldwood Energy Offshore LLC (4494); Fieldwood Onshore LLC (3489); Fieldwood SD Offshore LLC (8786); Fieldwood Offshore LLC (2930); FW GOM Pipeline, Inc. (8440); GOM Shelf LLC (8107); Bandon Oil and Gas GP, LLC (9172); Bandon Oil and Gas, LP (9266); Fieldwood Energy SP LLC (1971); Galveston Bay Pipeline LLC (5703); and Galveston Bay Processing LLC (0422). The Debtors’ primary mailing address is 2000 W. Sam Houston Parkway S., Suite 1200, Houston, TX 77042.

[Docket No. 900] (the “XTO Objection”), *Marathon Oil Company’s Objection to the Debtors’ Disclosure Statement, Procedures for Assumption of Executory Contracts and Transfer of Property of the Estate* [Docket No. 924] (the “Marathon Objection”), and the *Objection of Eni US Operating Co. Inc. and Eni Petroleum US LLC to Approval of Debtors’ Disclosure Statement for Debtors’ Joint Chapter 11 Plan of Reorganization* [Docket No. 937] (the “Eni Objection”).

In support of this Joinder, EnVen respectfully represents as follows:

RELEVANT BACKGROUND FOR JOINDER

A. EnVen’s Business Relationship with the Debtors

1. Based in Houston, Texas, EnVen is an upstream oil and natural gas company engaged in the exploration, development, extraction and production of oil and gas and related hydrocarbons in the Gulf of Mexico.

2. As part of their business operations, EnVen and Fieldwood are parties to several operating agreements and leases, as successors in interests to their respective contractual counterparties therein, to engage in exploration, development, extraction and production activities in the Gulf of Mexico. EnVen and Fieldwood’s business operations are subject to oversight by several government agencies, including, *inter alia*, the Bureau of Safety and Environmental Enforcement (BSEE), whose regulations serve as the basis for various plugging and abandonment obligations (the “P&A Obligations”) for decommissioning certain leases.

3. The potential P&A Obligations, as estimated by BSEE, are reflected in the attached **Exhibit A**. Even by the most conservative of estimates (P50), the total decommissioning costs total approximately \$12.05 million. Using a P70 cost estimate, the estimated decommissioning costs for these properties total approximately \$16.24 million. Using

a P90 cost estimate, the estimated decommissioning costs for these properties total approximately \$22.76 million.²

B. The Chapter 11 Cases and Objections

4. On August 3 and August 4, 2020, Fieldwood Energy LLC (“Fieldwood”) and 13 affiliated debtors (collectively, the “Debtors”) each filed a voluntary petition for relief under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”) in the United States Bankruptcy Court for the Southern District of Texas, Houston Division (the “Court”).

5. On January 1, 2021, the Debtors filed the *Joint Chapter 11 Plan of Fieldwood Energy LLC and its Affiliated Debtors* (the “Plan”) and the *Disclosure Statement for Joint Chapter 11 Plan of Fieldwood Energy LLC and its Affiliated Debtors* (the “Disclosure Statement”).

6. EnVen joins and incorporates the Chevron Objection, filed February 12, 2021, the XTO Objection, filed February 22, 2021, the Marathon Objection, filed March 1, 2021, and the Eni Objection, filed on March 3, 2021. The Disclosure Statement in its current form falls woefully short of providing adequate information regarding the treatment of decommissioning liabilities, including P&A Obligations that the Debtors propose to abandon.

SUPPORTING DOCUMENTATION

7. On information and belief, other supporting documentation, including any referenced agreements or pleadings herein, are already in the possession of the Debtors, their counsel and/or other professional agents, or publicly available. Such supporting documentation may contain confidential and/or commercially sensitive information. As such, such supporting

² On November 23, 2020, EnVen filed proofs of claims against Debtors Fieldwood Energy LLC and Dynamic Offshore Resources NS, LLC, asserting, among other things, outstanding invoice amounts and amounts for P&A Obligations (referred therein as abandonment and reclamation obligations).

documentation may be available upon request from counsel to EnVen, at the contact information below, subject to prior execution of an appropriate confidentiality agreement or protective order.

RESERVATION OF RIGHTS

8. EnVen reserves, to the fullest extent allowed by law, the right to amend, update, modify, and/or supplement the Joinder in all respects, including, without limitation, any of the arguments or concerns raised in and incorporated into this Joinder at any time, including at any hearing set by the Court for consideration of the Disclosure Statement and Plan.

Dated: March 8, 2021

BAKER BOTTS L.L.P.

/s/ Kevin Chiu

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Counsel for EnVen Energy Ventures, LLC

EXHIBIT A

Fieldwood BSEE Decommissioning Estimates

Fieldwood BSEE Decommissioning Estimates

Lease	Type	P50	P70	P90	Deterministic
OCS 479	Pipelines Decom	\$0	\$0	\$0	\$1,271,700
	Platforms Decom	\$2,404,324	\$4,233,714	\$6,901,706	\$0
	Platforms Site Clear	\$601,868	\$1,070,350	\$2,076,224	\$0
	Wells Decom	\$2,539,456	\$3,850,214	\$5,748,429	\$0
	Subtotal for Lease	\$5,545,648	\$9,154,278	\$14,726,359	\$1,271,700
G15740	Wells Decom	\$65,052	\$113,464	\$183,730	\$0
	Subtotal for Lease	\$65,052	\$113,464	\$183,730	\$0
G16455	Platforms Decom	\$4,438,665	\$4,889,277	\$5,545,956	\$0
	Platforms Site Clear	\$141,388	\$229,808	\$452,872	\$0
	Wells Decom	\$0	\$0	\$0	\$582,669
	Subtotal for Lease	\$4,580,053	\$5,119,085	\$5,998,828	\$582,669
TOTALS:		\$10,190,753	\$14,386,827	\$20,908,917	\$1,854,369